

**Every minute, the Bush
administration spends**

\$991,000

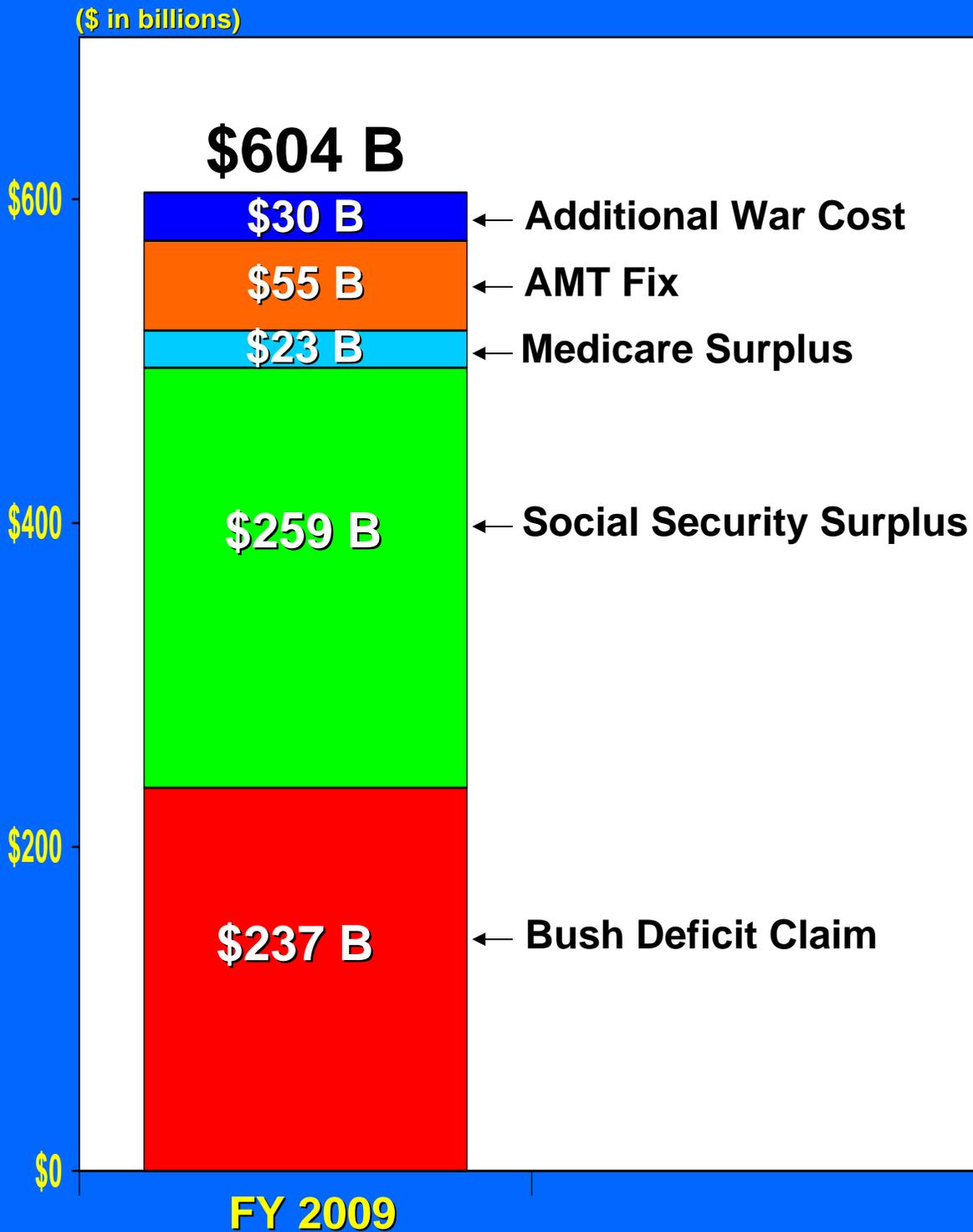
more than it takes in.

Bush Administration Claims on Deficit Have Been Consistently Wrong

2001	“[W]e can proceed with tax relief without fear of budget deficits...”	Wrong
2002	“[O]ur budget will run a deficit that will be small and short-term...”	Wrong
2003	“Our current deficit...is not large by historical standards and is manageable...”	Wrong
2004	“[T]he deficit will be cut in half over the next five years...”	Wrong Again?

Bush Claim That He Will Cut Deficit in Half by 2009 is Not Credible

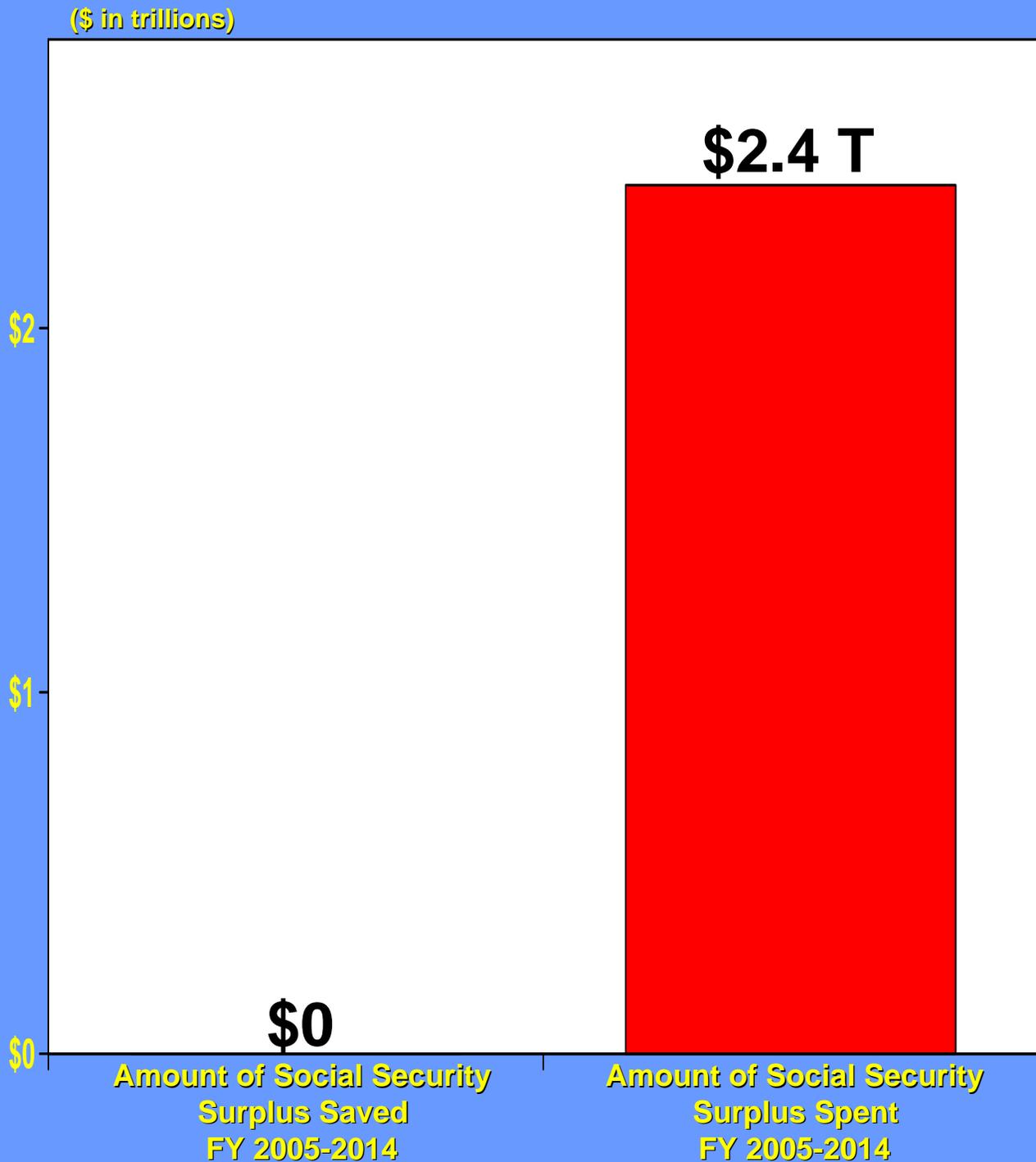
2009 Operating Deficit Likely to be Far Larger Than \$237 B



Source: OMB, CBO
Note: Includes interest

Bush Budget Hides the Full Story

Every Penny of Social Security Surplus Spent

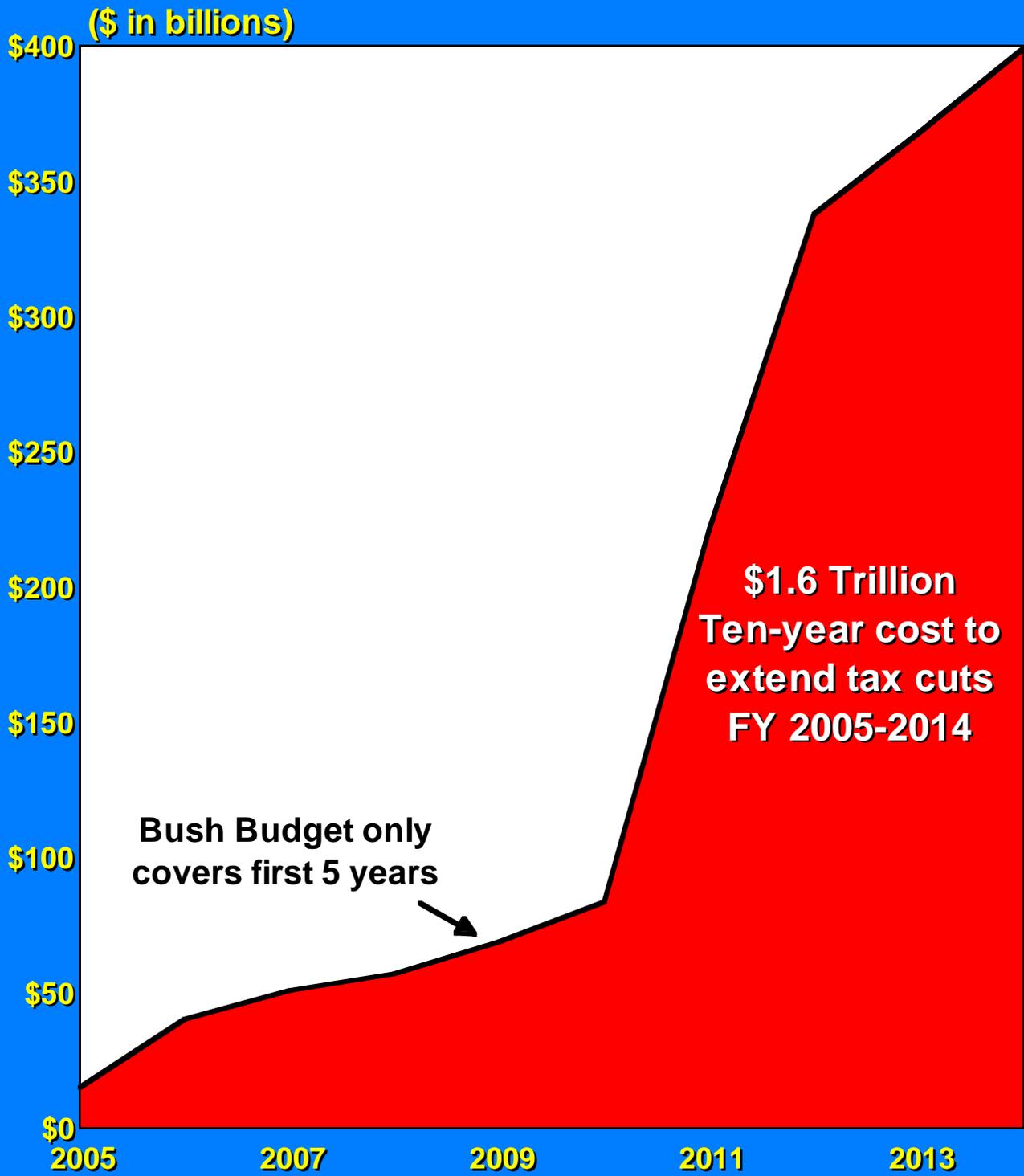


Source: CBO

Note: Amount of Social Security surplus spent on tax cuts and other things, instead of saved to prepare for retirement of baby boom generation.

Bush Budget Hides the Full Story

Cost of Extending Tax Cuts Explodes Outside Five-Year Budget Window



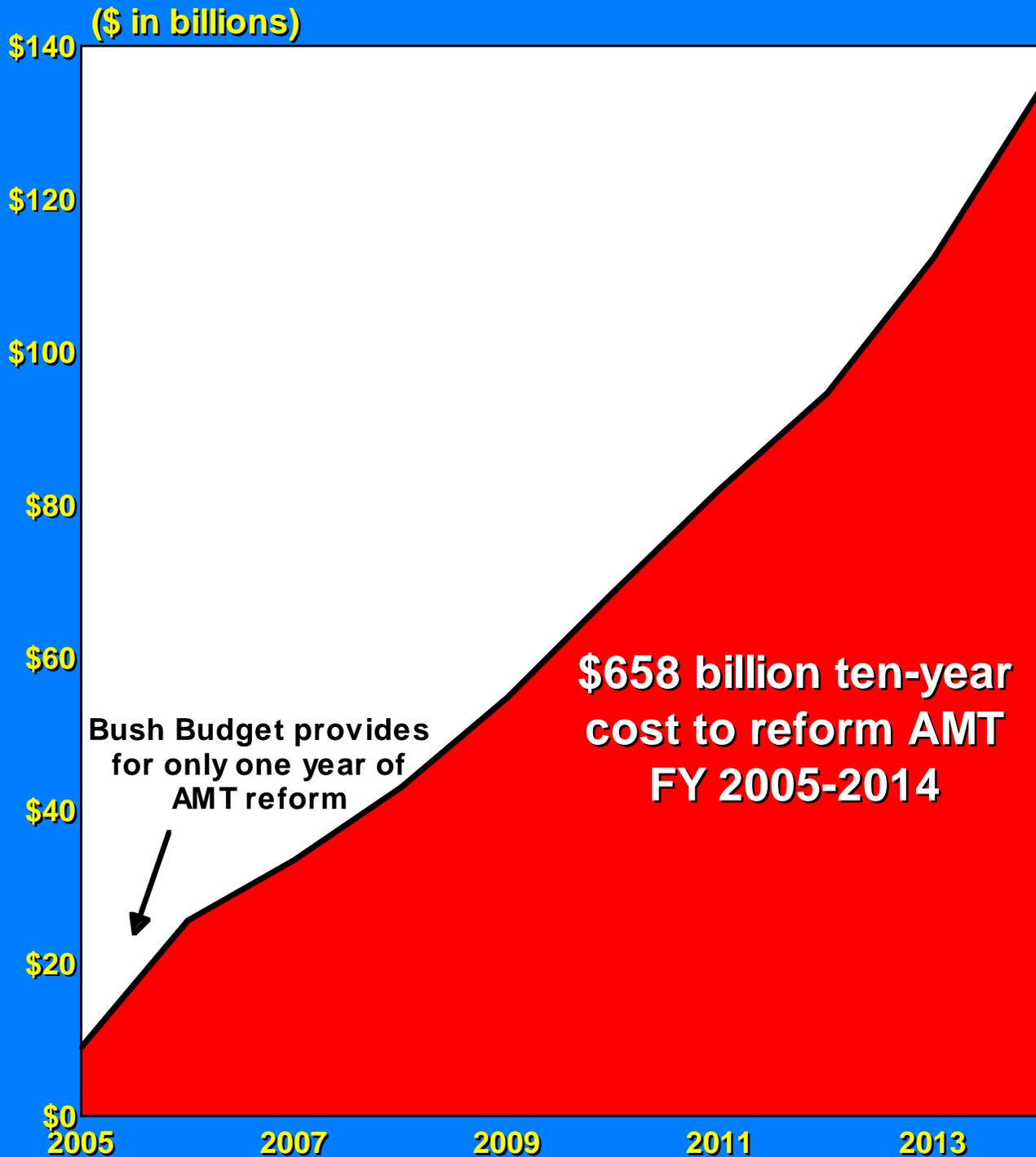
Source: CBO

Note: Includes interest cost

Bush Budget Hides the Full Story

Cost of AMT Reform Explodes

Outside Five-Year Budget Window

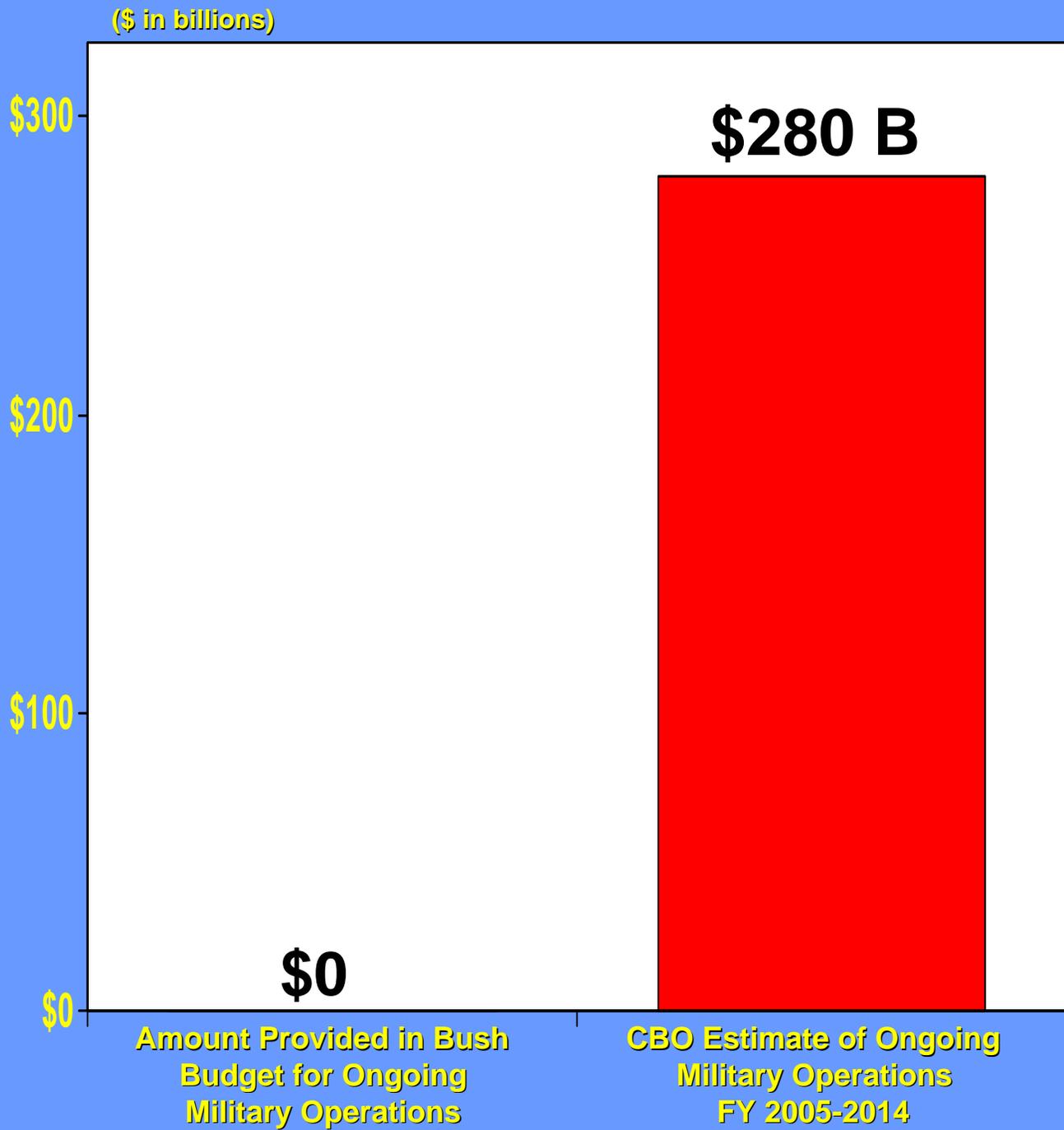


Source: CBO

Note: Cost to reform AMT if tax cuts are made permanent, including interest.

Bush Budget Hides the Full Story

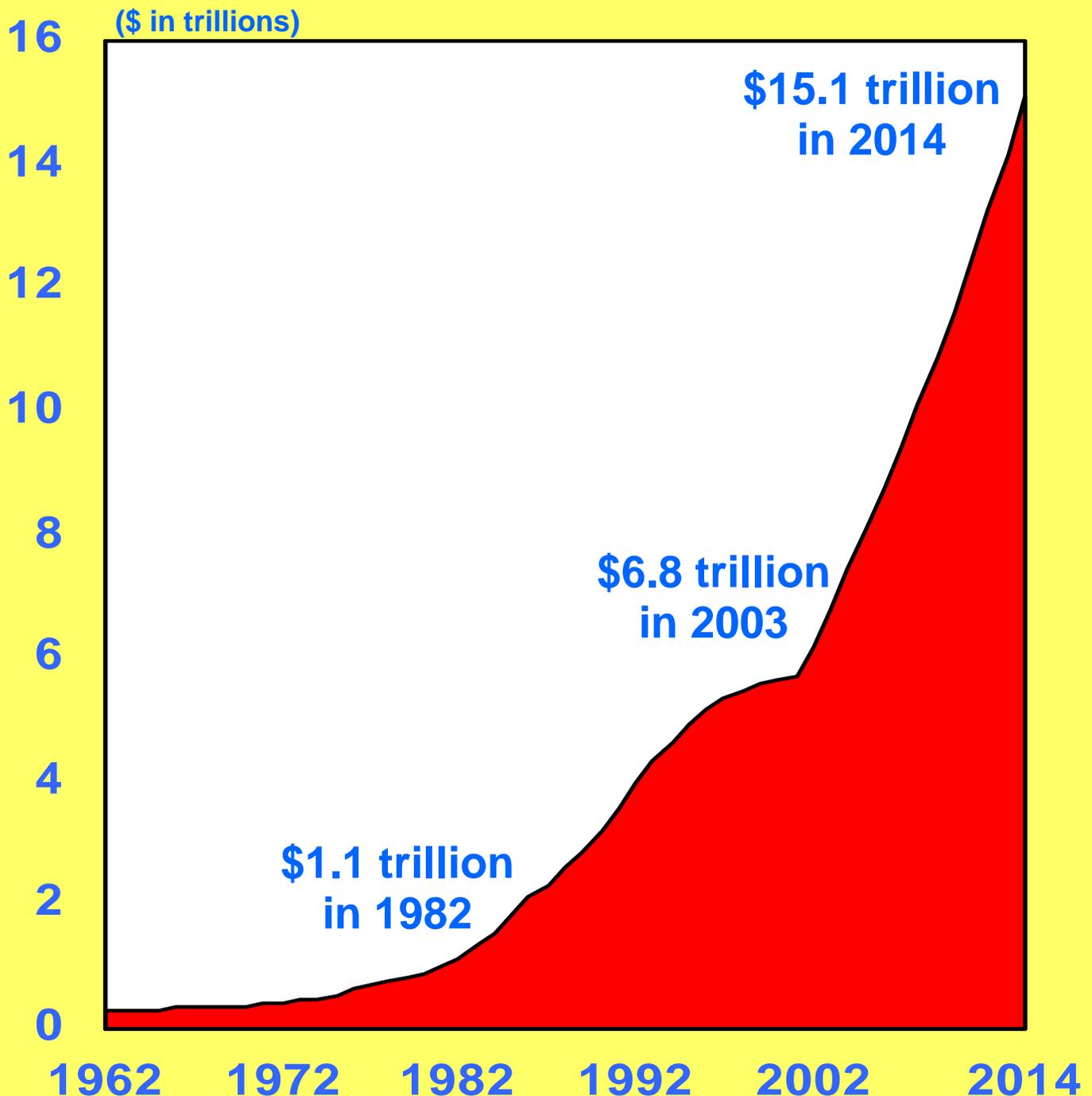
No New Funding Provided for Ongoing Operations in Iraq, Afghanistan, and Continuing War on Terror



Source: CBO Report, July 2003, "The Long-Term Implications of Current Defense Plans"

Gross Federal Debt

Assuming Extension of GOP Tax Cuts, AMT Reform, and Bush Defense Policies



Source: CBO, Senate Budget Committee

Note: CBO January 2004 baseline plus the extension of the GOP tax cuts (EGTRRA/JGTRRA), other expiring tax provisions (except bonus depreciation), AMT reform, the President's defense request, and estimates of new funding required to maintain ongoing military operations and war on terror. Discretionary totals treat \$87 billion supplemental as a one-time expenditure.

What do the Bush Administration's Irresponsible Fiscal Policies Mean?

By 2009, each person's share of the debt will total

\$35,283.

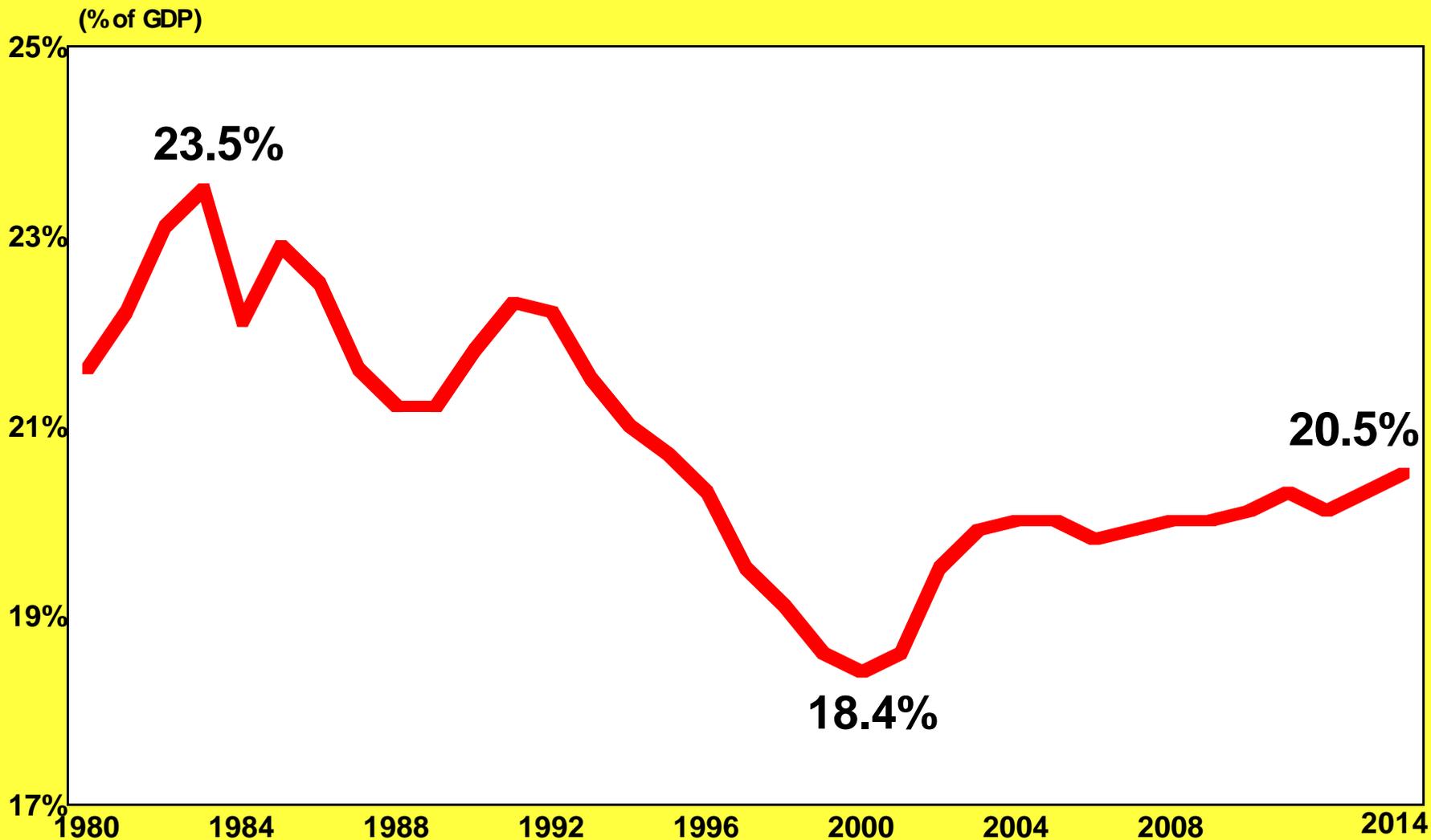
Top Ten Countries Holding Our National Debt

Japan	\$526 B
China	\$144 B
United Kingdom	\$112 B
“Caribbean Banking Centers”	\$62 B
Hong Kong	\$56 B
Taiwan	\$46 B
Germany	\$46 B
OPEC	\$44 B
South Korea	\$43 B
Switzerland	\$40 B

Source: Department of Treasury
Note: As of November 2003

Total Federal Spending

Assuming Bush Defense Policies, Interest on GOP Tax Cuts and AMT Reform

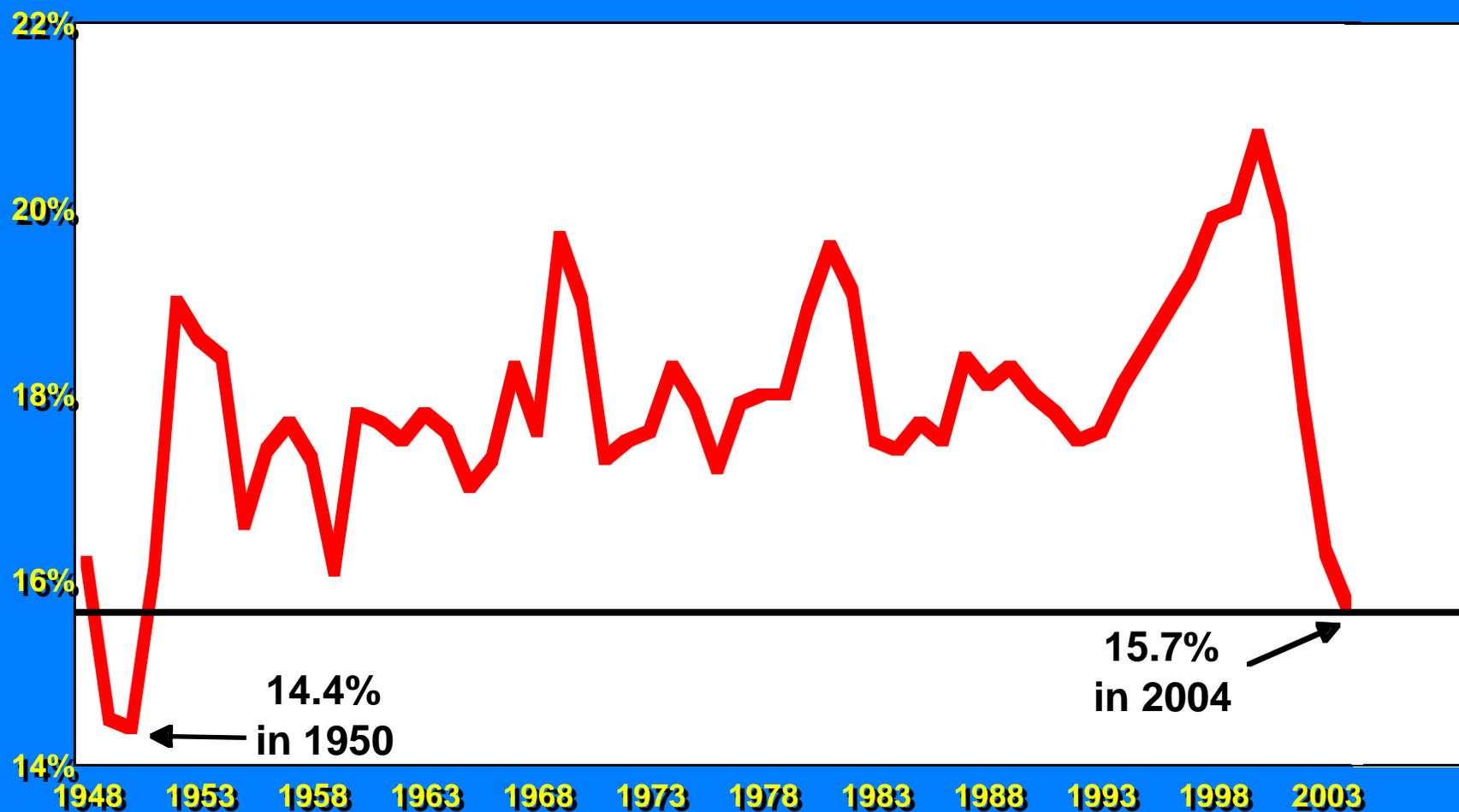


Source: CBO, SBC

Note: CBO January 2004 baseline plus President's defense request, and estimates of new funding required to maintain ongoing military operations and war on terror. Discretionary totals treat \$87 billion supplemental as one-time expenditure.

Revenues as a Percent of GDP

Lowest Level Since 1950



Source: OMB

This Elephant Won't Fly

